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**Permanent sovereignty of the Palestinian people in the Occupied Palestinian Territory, including East Jerusalem, and of the Arab population in the occupied Syrian Golan over their natural resources**

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**Economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and the Arab population in the occupied Syrian Golan**

# Economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population in the occupied Syrian Golan

## Note by the Secretary-General

In its resolution 2009/34, the Economic and Social Council requested the Secretary-General to submit to the General Assembly at its sixty-fourth session, through the Council, a report on the implementation of that resolution. The Assembly, in its resolution 64/185, also requested the Secretary-General to submit a report to it at its sixty-fifth session. The present report, which has been prepared by the Economic and Social Commission for Western Asia, is submitted in response to the resolutions of the Assembly and the Council.

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# Report prepared by the Economic and Social Commission for Western Asia on the economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population in the occupied Syrian Golan*

*Summary*

The Israeli occupation of Palestinian territory, including East Jerusalem, the use of arbitrary detention, disproportionate use of force, property destruction, home demolitions, mobility restrictions, lack of building permits and closure policies continue to intensify the economic and social hardships of the Palestinian residents in the occupied Palestinian territory. Despite the constraints posed by the occupation, the Palestinian Authority continued to make progress in implementing its reform agenda and security plan and in building its institution.

Between February 2009 and February 2010, 67 Palestinians were killed and 145 injured by Israeli military operations. At the same time, attacks by Palestinian militants and the launching of rockets into Israel from the Gaza Strip continued, although at a diminished rate over that of previous years.

Between February 2009 and February 2010, Israeli authorities demolished 220 Palestinian-owned structures in the West Bank (excluding East Jerusalem). As a result of those demolitions, over 400 Palestinians were displaced. In occupied East Jerusalem, the Israeli authorities demolished approximately 80 Palestinian-owned structures between February 2009 and March 2010, thereby displacing approximately 260 Palestinians.

The blockade imposed by Israel on the Gaza Strip following the forceful takeover of Gaza by Hamas in June 2007 entered its third year as of August 2009. The blockade detrimentally affects reconstruction and economic recovery in the Strip in addition to exacerbating humanitarian conditions. In the West Bank, there has been a general relaxation of the crossing procedures at most checkpoints to the east of the barrier. However, since November 2009 there has been a steady increase in the number of "flying" (ad hoc) checkpoints erected for short periods.

Contrary to its obligations under the road map, Israel continued illegal settlement activity in the West Bank, including East Jerusalem. On 26 November 2009 Israel announced a 10-month settlement "freeze order" in the West Bank, but it does not apply to the East Jerusalem area.

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The Syrian Golan has been under Israeli occupation since 1967. The decision of the Government of Israel to impose its laws, jurisdiction and administration in the occupied Syrian Golan was deemed null and void and without international legal effect by Security Council resolution 497 (1981). That annexation continues to affect the lives and human rights of the Syrian citizens living in the occupied Syrian Golan.

# I. Introduction

1. In its resolution 2009/34, the Economic and Social Council stressed the importance of reviving the Middle East peace process on the basis of Security Council resolutions, including 242 (1967), 338 (1973), 252 (1968), 425 (1978), 465 (1980), 497 (1981), 1397 (2002), 1515 (2003), 1544 (2004) and 1850 (2008); the principle of land for peace; the Arab Peace Initiative,[1] as affirmed at the Arab League Summit in Doha on 31 March 2009; and compliance with the agreements reached between the Government of Israel and the Palestine Liberation Organization, the representative of the Palestinian people. The Economic and Social Council called for the lifting of the severe restrictions imposed on the Palestinian people, including those arising from ongoing Israeli military operations and the multilayered closure system, and for other urgent measures to be taken to alleviate the desperate humanitarian situation in the occupied Palestinian territory, especially the Gaza Strip. The Council called upon all parties to respect the rules of international humanitarian law and to refrain from violence against the civilian population in accordance with the Geneva Convention relative to the Protection of Civilian Persons in Time of War, of 12 August 1949.[2] The Council called upon Israel, the occupying Power, to cease its destruction of homes and property, economic institutions, agricultural lands and orchards in the occupied Palestinian territory, including East Jerusalem, as well as in the occupied Syrian Golan. The Economic and Social Council reaffirmed that Israeli settlements in the occupied Palestinian territory, including East Jerusalem and the occupied Syrian Golan, are illegal and an obstacle to economic and social development, and called for full implementation of the relevant Security Council resolutions and compliance by Israel, the occupying Power, with international law, including the Fourth Geneva Convention.[2] It also reaffirmed that the wall being constructed by Israel in the occupied Palestinian territory, including in and around East Jerusalem, is contrary to international law and is isolating East Jerusalem, fragmenting the West Bank and seriously debilitating the economic and social development of the Palestinian people, and in this regard called for full compliance with the legal obligations laid out in the advisory opinion rendered on 9 July 2004 by the International Court of Justice[3] and in General Assembly resolution ES-10/15. It requested the Secretary-General to submit to the Assembly at its sixty-fourth session, through the Council, a report on the implementation of the resolution.

2. In its resolution 64/185, the General Assembly reaffirmed the inalienable rights of the Palestinian people and the population of the occupied Syrian Golan over their natural resources, including land and water, and demanded that Israel, the occupying Power, cease its exploitation, damage, loss or depletion, or endangerment of the natural resources in the occupied Palestinian territory, including East Jerusalem, and in the occupied Syrian Golan. The Assembly recognized the right of the Palestinian people to claim restitution as a result of any exploitation, damage, loss or depletion, or endangerment of their natural resources resulting from illegal measures and actions taken by Israel, the occupying Power, in the occupied

[1] Adopted by the Council of the League of Arab States at its fourteenth session, held in Beirut on 27 and 28 March 2002 (A/56/1026-S/2002/932, annex II, resolution 14/221).

[2] United Nations *Treaty Series*, vol. 75, No. 973.

[3] See A/ES-10/273 and Corr.1; see also *Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory, Advisory Opinion, I.C.J. Reports 2004*, p. 136.

Palestinian territory, including East Jerusalem. The Assembly stressed that the wall being constructed by Israel in the occupied Palestinian territory, including in and around East Jerusalem, is contrary to international law and is seriously depriving the Palestinian people of access to their natural resources, and in this regard called for full compliance with the legal obligations stipulated in the 9 July 2004 advisory opinion of the International Court of Justice and in resolution ES-10/15. The Assembly called upon Israel, the occupying Power, to comply strictly with its obligations under international law, including international humanitarian law, with respect to the alteration of the character and status of the occupied Palestinian territory, including East Jerusalem. The Assembly also called upon Israel, the occupying Power, to cease all actions harming the environment, including the dumping of all kinds of waste materials in the occupied Palestinian territory, including East Jerusalem, and in the occupied Syrian Golan, which gravely threaten their natural resources, including water and land resources, and which pose environmental, sanitation and health threats to the civilian populations. The Assembly further called upon Israel to cease its destruction of vital infrastructure, including water pipelines and sewerage networks, which, inter alia, has a negative impact on the natural resources of the Palestinian people. The Assembly requested the Secretary-General to submit a report at its sixty-fifth session on the implementation of the resolution.

# II. Occupied Palestinian territory, including East Jerusalem

## Death and injuries

3. Between 1 February 2009 and 9 February 2010, a total of 85 Palestinians were killed and 845 injured as a result of Israeli military operations. Most of the casualties occurred in the context of Israeli air strikes inside the Gaza Strip.[4] Furthermore, the Palestinian Ministry of Health attributed the death of 242 Palestinian citizens in Gaza to the Israeli blockade on the Strip, and the impediments it caused in the provision of adequate medical care in Gaza (see paras. 58-60).[5]

4. Since the imposition of the blockade against the Gaza Strip, tunnels under the border with Egypt have proliferated, with their operation employing thousands of people whose lives are endangered daily. Indeed, 74 Palestinians lost their lives and 129 others were injured working inside tunnels under the Gaza-Egypt border. Of those, 10 were killed and 35 injured due to Israeli air strikes. Without the relaxation of the blockade, further loss of life and injury remain likely.[4]

5. In the West Bank, Israeli military operations resulted in the death of 18 Palestinians and at least 700 injuries, some of which occurred in the context of anti-barrier demonstrations in the villages of Ni'lin and Bil'in. Settler-related incidents also resulted in 144 Palestinian injuries in 2009.[4]

6. At the same time, attacks by Palestinian militants and the launching of rockets into Israel continued in 2009, although at a diminished rate compared with that of previous years. Between 1 February 2009 and 10 March 2010, there were 5 fatalities

[4] Office for the Coordination of Humanitarian Affairs contribution.

[5] Palestinian Authority Ministry of Health (see www.moh.gov.ps/newsite/ar/index.php?page=siegevictims&archive=true&pagenum=1).

and 114 injuries recorded among Israelis due to attacks and clashes with Palestinians.[6]

## Arbitrary arrests and detentions

7. Citing security concerns, Israeli forces carried out at least 5,631 search operations in the West Bank and arrested 3,538 Palestinians between 1 February 2009 and 9 February 2010. The majority of the search operations took place in the northern West Bank.[4] According to official Palestinian sources, 7,415 Palestinians were being detained in Israeli prisons at the end of 2009. As of the end of January 2010, over 300 Palestinian children were reportedly being held in custody in Israeli prisons.[7]

8. Some 650 Palestinians were being held as administrative detainees (in detention without charge or trial), including 5 children. There have been reports of numerous denials of basic due-process rights.[4]

## Population displacement and property destruction and confiscation

9. Between 1 February 2009 and 9 February 2010, Israeli authorities demolished 220 Palestinian-owned structures, including 92 residential structures, in the West Bank (excluding East Jerusalem). Over 400 Palestinians were displaced as a result of those demolitions, the justification for almost all of which was the lack of a building permit, as required by the Israeli authorities. However, it is virtually impossible for Palestinians to obtain such permits, a situation forcing many Palestinians to build without them. Most of the demolitions occurred in the Jordan River valley, where over 100 demolitions occurred in June 2009. In one incident there on 10 January 2010, Israeli authorities demolished 34 Palestinian-owned structures in the Khirbet Tana Bedouin community. The demolition led to the displacement of 100 Palestinians, including 34 children. It should be noted that information provided by the Israeli Ministry of Defense in 2007 indicated that there are over 3,000 outstanding demolition orders for Area C structures.[4]

10. Over 80 per cent of the Area C demolitions in 2009 occurred in areas declared as "firing zones" by the Israeli military authorities. Many of these areas, which account for some 18 per cent of the West Bank, have been "closed" for a number of years, although numerous residents reported that they had never seen the Israeli military training in the vicinity. Many of the communities in those areas have been residing there prior to 1967. They are some of the poorest communities in the West Bank, relying on small-scale agriculture and herding for their livelihood.[4]

11. In occupied East Jerusalem, the Israeli authorities demolished approximately 80 Palestinian-owned structures between February 2009 and March 2010. Approximately 260 Palestinians were reportedly displaced as a result of those demolitions.[4] That figure can be added to the 1,495 Palestinian Jerusalemites who had been evicted by the Israeli authorities between 2004 and 2009. Furthermore, according to the Palestinian Authority, during 2009 the Israeli authorities revoked

[6] Office for the Coordination of Humanitarian Affairs, online casualty database.

[7] Office for the Coordination of Humanitarian Affairs and Palestinian Authority contributions.

the identification papers of 4,570 Palestinian residents of East Jerusalem, thereby denying their right to reside in the city.[8]

12. On 2 August 2009, Israeli forces forcibly evicted nine families comprising 53 people, including 20 children, in the Sheikh Jarrah neighbourhood in occupied East Jerusalem. The evicted families, all of whom were refugees, had been living in the area since 1956, following the construction of the homes by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) on land granted by the Government of Jordan. A group of Israeli settlers, authorized by Israeli courts and protected by Israeli security forces, subsequently took over the evicted families' homes. The neighbourhood has since become a scene of regular tension between the Israeli settlers and the Palestinians.[4]

13. Between 1 February 2009 and 9 February 2010, there were 129 recorded incidents of Israeli settlers damaging Palestinian property, including razing, uprooting and burning 1,400 fruit-bearing trees and 2,000 dunams[9] of cropland, in addition to damage to houses and vehicles. The value of settler-related property damage is significant and has a direct impact on the livelihoods of Palestinians through direct damage of, or access denied to, Palestinian agricultural or grazing land. In certain cases, such damage affects the ability of Palestinians to access basic services. In a number of areas, systematic settler violence has led to displacement of Palestinians.[7]

## Barrier

14. The total length of the barrier, as approved by the Israeli cabinet in April 2006, is 723 km, which is more than twice as long as the 320 km Armistice Line of 1949 (Green Line). The major portion of the barrier, approximately 87 per cent of it, runs inside the West Bank and occupied East Jerusalem, rather than along the Green Line.[10]

15. The barrier cuts deep into the West Bank, looping around settlements and fragmenting the West Bank into non-contiguous enclaves of Palestinian territory, isolated from the rest of the West Bank. As of February 2010, some 58 per cent of the barrier had been constructed and an additional 10 per cent was under construction. If further constructed as currently planned, the barrier will isolate approximately 9.5 per cent of Palestinian territory, including occupied East Jerusalem and some of the West Bank's most agriculturally productive lands.[4]

16. As of March 2009, the barrier had 66 gates; only half of them are open to Palestinian use, and then only for holders of a special permit from the Israeli military. The gates available for Palestinian use are open only part of the day.[11]

17. The barrier also continues to isolate the land and water resources of a large number of Palestinians, in particular farmers who, while residing to the east of the barrier, are now required to possess "visitor" permits in order to access their lands through designated gates. In the northern West Bank, permit requirements have become more stringent over the years. Fewer than 20 per cent of those who used to

[8] Palestinian Authority contribution.
[9] 1 dunam = 1,000 square metres.
[10] A/64/77-E/2009/13, para. 14.
[11] A/HRC/12/37, p. 25.

farm their lands in the closed area before completion of the barrier are now granted permits.[12]

18. These measures have caused an average annual loss of 53.8 per cent in the production of olives in the area.[13] Some farmers have abandoned their lands owing to the lack of access and high cost of needed agricultural inputs, including fuel, and thus are unable to sustain their livelihood. Furthermore, small-scale breeders of ruminants are restricted from accessing rich pasture land behind the barrier, causing overgrazing on the limited lands available. They are forced to feed their animals fodder throughout most of the year; most such breeders cannot afford to do so which causes them to rely on humanitarian assistance in order to sustain their livelihood.[14]

19. The barrier isolates densely populated Palestinian localities currently inside the municipal boundary of Jerusalem, while physically separating neighbouring West Bank villages that were once closely connected to East Jerusalem. Completion of the barrier around the Ma'ale Adumim settlement bloc will physically separate East Jerusalem from the rest of the West Bank and will further restrict access by Palestinians to workplaces, services such as health and education, among others, and places of worship.[15] Further south, the barrier already separates Bethlehem from Jerusalem. Construction of the barrier around the Gush Etzion settlement bloc will sever the territorial contiguity of Bethlehem and curtail its potential for natural growth. It will also separate the city from its agricultural hinterland, which comprises nine Palestinian communities of approximately 22,000 residents that will face restricted access to services in Bethlehem, including markets, health services and higher education

20. It should be noted however that, after ruling that the current route of the barrier caused disproportionate harm to Palestinians, the Israeli High Court of Justice, in September 2009, ordered the State to relocate three sections of the barrier in the Qalqilya and Tulkarem governorates. The new route approved by the Court should improve the access of farmers to some areas.

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[12] Office for the Coordination of Humanitarian Affairs, *OCHA Special Focus: The Barrier Gate and Permit Regime Four Years On: Humanitarian Impact in the Northern West Bank* (November 2007) (www.ochaopt.org/documents/OCHA_SpecialFocus_BarrierGates_2007_11.pdf). This figure was replicated in a follow-up survey of the same communities in the period May-June 2008. See also A/64/77-E/2009/13, p. 7.

[13] Food and Agriculture Organization of the United Nations (FAO) and Office for the Coordination of Humanitarian Affairs, Olive production losses by the wall (survey), 2009, as cited in the FAO contribution.

[14] Food and Agriculture Organization of the United Nations contribution.

[15] For an assessment of the barrier's impact on the access of Palestinians to health, education, religious and economic services and facilities in Jerusalem, see *Office for the Coordination of Humanitarian Affairs: The Humanitarian Impact of the West Bank Barrier on Palestinian Communities: East Jerusalem, Update No. 7* (June 2007) (www.ochaopt.org/documents/Jerusalem-30July2007.pdf). See also A/64/77-E/2009/13, paras. 14-19.

## Mobility restrictions and closure policies, including access to humanitarian assistance

### Movement of persons and goods in the West Bank

21. As of February 2010 there were approximately 550 closure obstacles inside the West Bank territory, 80 fewer than in the preceding year. These include 69 permanently staffed checkpoints, of which more than half are located along the barrier and are used to enable Israelis to commute between Israel and the settlements, to control access to East Jerusalem and to Israel of limited numbers of Palestinians holding special permits and to control access to and from small Palestinian communities isolated by the barrier. All of these checkpoints restrict Palestinian access to West Bank areas on the other side of the barrier.[4]

22. There has been a general relaxation in the crossing procedures at most checkpoints to the east of the barrier, following the removal of military staff at some of them, the lifting of permit requirements and the performance of searches and documentation checks on a random basis only. In addition, the Israeli authorities have also eased restrictions directly affecting economic development, including the extension by three working hours per day of the Tarkumiya commercial goods crossing and the movement of tourist buses through the Jalameh crossing into the West Bank. In the specific locations where the changes have been implemented, these measures have improved mobility, commerce and access to goods.[16]

23. However, since November 2009 there has also been a steady increase in the number of "flying" (ad hoc) checkpoints erected for short periods throughout the West Bank.[4] These checkpoints have an adverse impact on the economy and on the movement of Palestinians.

24. The closure obstacles constitute only one of several layers of a complex system of movement restrictions. Therefore, their total number and geographical distribution at a given time, although indicative, do not capture the entire scope of the system. The barrier plays a major role in this system, as previously described. In addition, approximately 18 per cent of the area comprising the West Bank has over the years been declared "closed military zones".[4]

25. An additional 3 per cent of the West Bank lies within the outer limits of 149 Israeli settlements and industrial zones, largely inaccessible to Palestinians.[4] This situation was institutionalized by the Government of Israel in 2002 through the "special security area" framework, whereby closed areas 300 metres wide (later expanded to 400 metres) were established around a number of settlements.[17]

26. In January 2009, the Israeli authorities issued a military order declaring the area between the barrier and the Green Line in the Hebron Governorate a closed military area. In the same month, three similar military orders were issued concerning the land between the barrier and the Green Line in parts of the districts of Salfit, Ramallah, Jerusalem and northern Bethlehem. These were the first such orders to be issued since October 2003, when all of the land between the barrier and the Green Line in the governorates of Jenin, Tulkarm and Qalqiliya was designated as a closed area. Based on the experience of barrier-affected communities in the

[16] United Nations Special Coordinator in the Occupied Territories contribution.
[17] A/64/516, para. 16.

northern West Bank since 2003, the new military orders give rise to serious humanitarian concerns regarding the access of Palestinians to lands, livelihoods and services.[4]

27. Access of Palestinians to East Jerusalem, which is also surrounded by the barrier, is prohibited by Israeli law, except for those Palestinians who hold an Israeli Jerusalem identity card or difficult-to-obtain special permits. Since July 2008, medical staff (except doctors) and patients holding valid permits have also been barred from accessing East Jerusalem through two of the vehicular checkpoints located at main routes into the city: Hizma and Az-Zayyem checkpoints. This restriction has had a negative impact on the provision of health-care services to the Palestinian population.[4]

28. Recurrent demands by Israeli security staff to search United Nations vehicles (buses in particular) at checkpoints continued to cause United Nations staff to experience delays as a consequence of either engaging in protracted negotiations or spending time rerouting through alternative checkpoints. During 2009, UNRWA faced continued restrictions in accessing refugee communities in the West Bank, which had major implications on its ability to meet the humanitarian needs of Palestinian refugees. A total of 567 access incidents were reported in 2009, resulting in a loss to UNRWA of an estimated 625 work days or 4,688 hours.[18]

29. There was no significant improvement in the levels of import/export activity, and obstacles faced by traders at the West Bank commercial crossings continued. The enforced procedures place additional costs on import/export processes. Restrictions on the size of trucks, inspection procedures and the enforcement of back-to-back transfer of goods caused damage to the products, thus adding to the cost of this process.[19]

**Restrictions on access to and from the Gaza Strip and the impact of the blockade**

30. The blockade imposed by Israel on the Gaza Strip following the forceful takeover of Gaza by Hamas in June 2007 entered its third year in August 2009. As noted by senior United Nations human rights and humanitarian officials, the blockade of Gaza amounts to collective punishment, which is prohibited under international humanitarian law.[20] The Israeli authorities cite security concerns and the absence of a ceasefire as the rationale for maintaining restrictions on access to and from the Gaza Strip.

31. The Karni commercial crossing between Israel and the Gaza Strip has remained closed since June 2007, other than for the transfer of wheat and animal feed via conveyor belt. Another secondary crossing at Sufa was previously available as an alternative to the one at Karni, but it has not operated since September 2008. As a result, prices for transporting food commodities from the Israeli port of Ashdod to Gaza have increased dramatically.[18] The total number of truckloads imported into Gaza during 2009 increased by about 16 per cent compared with that of 2008, that is, 31,110 truckloads compared with 26,838. These shipments constituted 18 per cent of the volume of imports during the first five months of 2007, before the

[18] United Nations Relief and Works Agency for Palestine Refugees in the Near East contribution.

[19] United Nations Development Programme contribution, citing a semi-annual report on West Bank crossings movement (March-September 2009).

[20] A/64/517, para. 18.

imposition of the blockade. Moreover, 85 per cent of goods brought in, both by the humanitarian and commercial sectors during 2009, consisted of food and cleaning/hygiene items, compared with 17 per cent of the goods before the blockade. The process for the clearance of import requests remains long (several weeks), unpredictable and lacking in transparency.[4]

32. In citing concerns over tunnelling and the risk of attack, the Israeli authorities on 1 January closed the Nahal Oz crossing, which had been used for the transfer of fuel from Israel to Gaza. Imports of those goods have been diverted to the southern Kerem Shalom crossing. This change has led to a significant reduction in the supply of cooking gas to Gaza, due to the smaller capacity of the pipeline at Kerem Shalom, which is less than half that of Nahal Oz.[4] However, work is under way to expand capacity at Kerem Shalom.

33. The insufficient and irregular supply of industrial fuel needed to operate Gaza's sole power plant has exacerbated the chronic shortage of electricity affecting Gaza and the situation has negative humanitarian implications. Under the Israeli restrictive import regime (2.2 million litres of fuel a week), the Gaza power plant can produce only a quarter of the average electricity demand. Half the demand is met through the purchase of electricity from Israel and 5-10 per cent is purchased from Egypt, creating a permanent deficit of 15-20 per cent. As a result, Gaza's electricity company is forced to implement power cuts ranging from four to eight hours a day in some parts of the Gaza Strip. In addition, in several instances, also citing security concerns, Israel closed the crossing for fuels for several consecutive days; as a result, the Gaza power plant ran out of fuel and had to shut down completely, triggering power cuts lasting up to 16 hours a day in Gaza City. If enough fuel is provided (3.15 million litres a week), the Gaza power plant currently could produce up to one third of the electricity demand, although that level is still below the capacity that had existed before June 2006, when Israel bombed the power plant.[4]

34. The ban on the import of building materials has prevented the reconstruction of most of the 3,500 homes destroyed, the 2,900 homes severely damaged and those lightly damaged during the Israeli military offensive of December 2008 and January 2009. The ban on importing building material has also prevented the construction of 7,500 planned housing units intended to cater to the Gaza Strip's rapidly expanding population. More than 3,500 families are still displaced. While most of those families live in rented apartments or in the houses of relatives, about 200 families continue living in tents or makeshift shelters without proper roofing, windows or doors.[4]

35. In December 2009, Israel exceptionally approved the import of 100 truckloads of glass (almost all of which had already entered Gaza)[4] and an additional 100 truckloads started entering Gaza on 3 March 2010. In addition, during the week of 23 February, the Palestinian Energy Authority coordinated the crossing of four truckloads of materiel for the electricity distribution company. However, construction projects worth an estimated $76 million that had been under way before the imposition of the blockade remain on hold, including re-housing refugees living in dilapidated housing and repairing and constructing public infrastructure, such as for water, sewerage and solid waste removal.[18]

36. The Israeli blockade also includes restrictions on shipment of cash from West Bank financial institutions to the Gaza Strip. Cash shortages and the halting of

private sector investment in the Gaza Strip have led to a precipitous decline in real private sector credit.[21]

37. The Israeli authorities have also prohibited exports from Gaza, which is one of the main factors preventing its economic reactivation. Since December 2009, however, Israel has allowed the export of a few dozen truckloads of cut flowers and strawberries.[4]

38. In May 2009, the Israeli military extended its self-declared "buffer zone"[22] to 300 metres, representing 30 per cent of Gaza's arable land. The Israeli army enforces the "buffer zone" through open fire, as well as land levelling. Palestinian farmers indicate that their access is often restricted on an ad hoc basis in agricultural areas beyond 300 metres, at times as far as 1,000 metres from the border. In 2009, four Palestinians were killed and 11 injured in incidents when the Israeli army opened fire on farmers in the vicinity of the border. In addition to restrictions on access and threats to personal safety, agricultural land, water wells and water networks have been damaged due to repeated Israeli incursions into the border areas for the purpose of levelling land. The measures imposed by the Israeli military in the "buffer zone" contribute (along with the blockade and adverse weather conditions) to the difficulties facing Gaza's agriculture sector.[4]

39. Furthermore, the area in which fishermen are allowed to fish has been progressively reduced to 3 nautical miles in 2009. As a result, employment in fishing fell by 66 per cent since 2000, with only 3,400 fishermen currently being active and only 0.3 per cent of Gaza's population having their dietary needs for fish met.[21]

40. During the reporting period, the Gaza economy has been sustained largely by the smuggling of goods from Egypt through tunnels. There are an estimated 1,000 such tunnels, which employ thousands of people. The tunnels allow for the supply of a wide range of goods otherwise unavailable, including food, livestock, electric appliances, furniture, clothes and fuel, mostly at lower prices (and quality) than those previously imported from Israel. There are also concerns regarding reports that weapons are smuggled through the tunnels. Nonetheless, the Israeli blockade has greatly contributed to the viability and sustainability of the tunnels, where the smuggling of goods has further damaged the private sector and legitimate commerce.

## Israeli settlement activity

41. Settlement activity in the West Bank amounts to violation of the provisions of numerous humanitarian laws including Article 55 of the Hague Regulations[23] and Article 49 of the Fourth Geneva Convention,[2] which stipulates that "the Occupying Power shall not deport or transfer parts of its own civilian population into the

[21] United Nations Conference on Trade and Development contribution.

[22] Following Israel's "disengagement" from the Gaza Strip in August 2005, the Israeli military declared a "buffer zone" on a strip of land 150 metres wide along the border with Israel, where access by Palestinians is prohibited.

[23] For the Regulations annexed to The Hague Convention IV of 1907, see Carnegie Endowment for International Peace, *The Hague Conventions and Declarations of 1899 and 1907* (New York, Oxford University Press, 1915).

territory it occupies". Israel's continued settlement activity is in flagrant violation of this provision.[24]

42. The number of Israeli settlers in the West Bank, excluding occupied East Jerusalem, was estimated at 301,200 in September 2009, constituting an annual growth rate of 4.9 per cent throughout 2009. This growth rate is considerably higher than the average rate of growth of the Israeli population, which was recorded at 1.8 per cent per annum.[25] The settlers reside in 120 settlements and 99 "outposts",[26] all of which are deemed illegal under international law. By the end of 2008 another 195,000 Israeli settlers were living in 12 settlements in occupied East Jerusalem.[27] In June 2009, about 900 and 800 housing units were under construction in Ma'ale Adumim and Giv'at Zeev Illit (near East Jerusalem), respectively. Hundreds of other housing units are being constructed in Beitar Illit, Modin Illit and more than 22 other settlements in the West Bank.[28]

43. In addition to existing settlements in East Jerusalem, Israeli authorities have been planning to construct a new settlement between Ma'ale Adumim and East Jerusalem. That settlement, which is commonly known as the E1 or "East 1" plan, would consist of about 3,500 housing units for approximately 15,000 settlers, in addition to commercial and tourist areas.[29]

44. On 26 November 2009, the Government of Israel announced a 10-month settlement "freeze order" which prohibited any new construction in West Bank settlements, but allowed the continuation of construction where foundation work had already been started. There have been a number of measures on the ground to enforce the settlement freeze and remove outposts. However, Israeli authorities have also reported various violations of the freeze order, which furthermore does not apply to Israeli settlements in East Jerusalem.[30]

45. According to the Foundation for Middle East Peace, close to 4,000 housing units were under construction in West Bank settlements in January and February 2010. The Foundation reported that, by 15 January 2010, only 140 "stop-work orders" had been issued to construction sites in violation of the moratorium.[31]

## Natural resources, water and the environment

46. The water supply and sanitation services for Palestinians in the occupied Palestinian territory continue to be insufficient and unreliable in terms of quality and quantity. Israeli authorities and companies withdraw water from the occupied

[24] See A/HRC/12/37, para. 57, p. 21, as cited in the Office of the United Nations High Commissioner for Human Rights contribution.

[25] Israeli Central Bureau of Statistics (www1.cbs.gov.il/population/new_2010/table1.pdf). The average annual population growth rate was calculated to include Israeli settlers in the West Bank, excluding East Jerusalem.

[26] Peace Now (www.peacenow.org.il/site/en/peace.asp?pi=61&docid=4372&pos=4).

[27] A/64/516, para. 13.

[28] A/64/516, para. 14.

[29] A/64/516, paras. 23 and 25.

[30] Peace Now (www.peacenow.org.il/site/en/peace.asp?pi=61&docid=4564).

[31] Foundation for Middle East Peace, *Report on Israeli Settlement in the Occupied territories*, vol. 20, No. 1, January-February 2010, p. 4.

Palestinian territory in order to supply Israeli cities, and then sell the surplus back to Palestinians.

47. More than 200 Palestinian communities, with a total of 215,000 inhabitants, are reportedly not connected to a running water network and are forced to buy water from private suppliers, using up to 20 per cent of their income for this purpose. According to the World Bank, the Palestinian population has access to only about a quarter of the water ration per capita of Israelis: 123 litres a person daily for West Bank Palestinians in contrast to 544 litres for Israelis. Some Palestinians are surviving on as little as 10 to 15 litres of water a day.[32] The Israeli national water company reportedly reduces the supply of water to Palestinian communities substantially during the summer months, causing considerable water shortages, in order to meet increased consumption needs in Israel and in Israeli settlements in the West Bank. [33]

48. The current water crisis for Palestinians in the West Bank is coupled with the problem of wastewater flowing into much needed natural reservoirs, aquifers and streams. Some of the settlements are not connected to wastewater treatment facilities; hence, their untreated wastewater flows into nearby Palestinian communities. A Palestinian study showed that crops and water sources in 70 Palestinian villages with nearby settlements were contaminated.[33]

## Socio-economic indicators

49. The Palestinian Central Bureau of Statistics estimated the cumulative losses to the economy for the year following "Operation Cast Lead" to be in the range of $800 million.[34] Nevertheless, estimates at constant prices for the fourth quarter of 2009 revealed that GDP in the Palestinian Territory increased by 1.6 per cent compared with that of the third quarter of 2009, and that GDP increased by 10.3 per cent compared with that of the fourth quarter of 2008, also at constant prices with the base year being 2004.[35]

50. According to the Palestinian Central Bureau of Statistics, there was an increase in the main economic activities that contributed considerably to GDP. Short-term economic indicators showed growth in agriculture and fishing, mining, manufacturing, electricity and water, wholesale and retail trade, transportation, financial intermediation, public administration and defence, thus raising GDP.

51. The partial destruction of Palestinian productive capacity, the loss of land and natural resources to settlements and the barrier, the restrictions on access and movement, high political risk and layers of other institutional and administrative obstacles have undermined investment to a certain extent. As a result, the private sector's ability to create employment opportunities has been declining in the face of a growing labour force. The decimation of the private sector has resulted in more

[32] Office of the United Nations High Commissioner for Human Rights contribution cited in A/64/516, para. 43.

[33] A/64/516, para. 46.

[34] United Nations Development Programme contribution citing www.pcbs.gov.ps/Portals/_pcbs/PressReleases/Gaza_lost_e.pdf.

[35] Palestinian Central Bureau of Statistics (www.pcbs.gov.ps/desktopmodules/newsscrollEnglish/newsscrollView.aspx?ItemID=1122&mID=11170).

dependence on the public sector to provide employment and social transfers. The Palestinian Authority has reached the limit of its ability to act as "employer of last resort" and has had to embark on fiscal reforms that include a hiring and wage freeze and the elimination of utility subsidies.[35]

52. According to a relaxed definition of unemployment as the percentage of persons who do not work but nevertheless are seeking work, unemployment in the occupied Palestinian territory decreased to 31.4 per cent of the working age population in the third quarter of 2009 compared with 32.7 per cent in the third quarter of 2008. Women face systematic discrimination in the labour market: their share of wage employment in the non-agricultural sector stood at 18 per cent in 2008 compared with 12.3 per cent in 1999.[36] It should be noted that 67 per cent of the unemployed are young people: in the male population aged 15-29, half are employed, whereas for females in that age group just 1 in 7 is working.[37]

53. Economic indicators generally disguise the variations between the different parts of the territory (East Jerusalem, West Bank and Gaza Strip). The Gaza Strip presents the least favourable indicators as the combined impact of the blockade, the destruction of property in the last Israeli military operation and the inability to reconstruct continues to have an adverse impact on economic conditions. A recent survey by the Palestinian Private Sector Coordinating Council found that only 258 industrial establishments in Gaza were operational compared with over 2,400 in 2006.[38] As a result, unemployment rates soared to 42 per cent compared with 32 per cent before the blockade.[4] The expansion of the public sector by Hamas authorities and the growth of the tunnel economy have partially compensated for the massive loss of jobs.[4]

54. The most recent poverty data available are unpublished 2007 data which indicate that absolute poverty rates had reached 57.3 per cent in the occupied Palestinian territory. In Gaza, 76.9 per cent of households were under the national poverty line, and in the West Bank 47.2 per cent of them were under the national poverty line.[39]

55. The inflation rates in 2009 reached 4.34 per cent. The main drivers of the price increases causing inflation were the prices of food and beverages, clothing, shoes, educational services and housing.[39]

## Fiscal situation

56. On 25 August 2009, the Palestinian Authority announced a programme entitled "Palestine: Ending the Occupation, Establishing the State", which highlighted the

[36] United Nations Development Programme contribution.

[37] See http://imeu.net/news/printer0014747.shtml, which is cited in the United Nations Development Programme contribution.

[38] United Nations Development Programme contribution citing http://www.pscc.ps/down/PSCC%20-%20Gaza%20Private%20Sector%20(Post%20War%20Status%20%20Needs)%20-250209.pdf.

[39] United Nations Development Programme contribution citing http://www.pcbs.gov.ps/Portals/_pcbs/PressRelease/CPI_1209_A.pdf.

importance of enhancing public sector institutions and building on the Authority's reform and development plan for the period 2008-2010.[40]

57. The Palestinian Authority continued to make progress in implementing its reform agenda. According to the World Bank, in spite of unfavourable circumstances, namely the blockade of Gaza, mobility restrictions in the West Bank and political uncertainty, the institution-building efforts of the Palestinian Authority demonstrated competence in the provision of basic services. The Bank also maintained that, despite the difficult fiscal position that the Palestinian Authority faced in the second quarter of 2009, it had carried on implementing structural reforms, including holding the line on public employment and improving public financial management.[41] In that regard, the establishment of a single window-single file system in collaboration with the World Customs Organization was also significant, in streamlining the management of various forms of taxation and improving the standards and packaging of goods produced by the Palestinian private sector for the purpose of increasing market share. Structural reforms also included new microfinance regulations, which entrench microfinance as an integral part of the financial sector. Moreover, a new law on comprehensive company registration facilitates the registration of various types of companies.[16]

58. The Palestinian Authority has also largely succeeded in containing public spending by controlling public wages and phasing out utility subsidies. However, the destruction of Gaza's local economy and its infrastructure has had serious consequences on the Palestinian Authority's fiscal position, structural reform efforts and the economy of the occupied territory as a whole owing to the consequent elimination of tax and customs revenue from Gaza, and having to bear the financial burden of providing relief and reconstruction funds in the aftermath of the military attack.[21]

59. The Israeli military offensive against Gaza has directly contributed to increasing the recurrent budget deficit to 23 per cent of GDP, which is 5 percentage points above the level envisaged in the original budget for 2009. The Palestinian Authority was forced to resort to borrowing from banks, accumulating arrears and amending the 2009 budget to take into account the emergency spending and fiscal implications of the offensive against Gaza.[21]

60. In 2008, the total value of imports amounted to almost $3.8 billion, 72 per cent of which was from Israel. These data show the dependence of the Palestinian economy on Israel. Israel transforms the Palestinian market into a secondary market for its products while significantly restricting imports from the occupied territory.[42]

61. For the Palestinian Authority, the average rate of clearance for monthly revenues (on an accrual basis) during 2009 was about 354 million New Israeli Shekels. One third of those revenues were illegally retained in order to cover the cost of electricity, water and other services provided by Israel. The average size of such monthly deductions was about 124 million New Israeli Shekels.[36]

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[40] See Palestinian Authority, Palestine: Ending the Occupation, Establishing the State, August 2009, and the Palestinian Reform and Development Plan (2008-2010).

[41] World Bank, *A Palestinian State in Two Years: Institutions for Economic Revival*, 22 September 2009; and see http://web.worldbank.org.

[42] United Nations Development Programme contribution citing www.pcbs.gov.ps/Portals/_pcbs/PressRelease/tejara_E_08.pdf.

## Public health and food insecurity

62. The quality of functioning medical services in the Gaza Strip is in decline due to the blockade and the internal divide between Gaza and Ramallah. The inability to expand the health facilities that are available as a result of the lack of building materials has been further compounded by recurring power cuts. The functionality of medical equipment is deteriorating for lack of maintenance capacity and spare parts.[43] The blockade has also reduced the availability of medicines. As of December 2009, 24 per cent of the items on the list of essential drugs and 18 per cent of those on the list of essential medical disposables were out of stock in the Gaza Strip.[4]

63. In the West Bank, the fragmentation of the health system as a result of the occupation and the restrictions on the movement of people and goods in the West Bank seriously impedes the provision of efficient and effective health care, especially to those in need of tertiary care services in East Jerusalem hospitals.[43]

64. Demand for UNRWA primary health services continues to rise. In the Gaza Strip and the West Bank, the total number of patient consultations during 2009 was 5.7 and 5 per cent higher, respectively, than in 2008.[18]

65. Infant deaths occur mostly within the neonatal period, with many of them being concentrated within the first week of life. The neonatal mortality rate could still be substantially reduced, especially in Gaza Strip where it is 30 per cent higher than in the West Bank. The main causes of neonatal mortality are asphyxia, infections and low birth weight. With regard to maternal mortality, the main causes of death are haemorrhage during and after delivery, infection, eclampsia, anaemia and obstructed labour.[43]

66. Israeli restrictions on Gazan fishermen have reduced the quantity, quality and type of fish available to Gazans, a situation which has aggravated the already acute problems of malnutrition, poverty and food insecurity.[4]

67. Based on a 2009 socio-economic and food security report,[44] it is estimated that almost 1.6 million persons are "food insecure" in the occupied Palestinian territory, that is, 38 per cent of the population. These include 625,200 food insecure persons in the West Bank (25 per cent of the West Bank population) and 973,600 persons in the Gaza Strip (61 per cent). In addition, 269,300 persons in the West Bank (11 per cent) and 218,950 persons in the Gaza Strip (16 per cent) are vulnerable to food insecurity.[45]

68. The main cause of the high levels of food insecurity is poverty: 71 per cent of the population receive at least one form of assistance, mostly food assistance. Food insecurity is translated into reduced consumption of animal products, particularly fresh meat and dairy products, as well as some vegetables. The destruction of livelihoods inflicted by the "Cast Lead" offensive also caused about 14 per cent of households to decrease their expenditures, mostly on food. More than half of those

[43] World Health Organization contribution.

[44] Food and Agriculture Organization of the United Nations and World Food Programme, *Socio-Economic and Food Security (SEFSEC) Survey Report 2 — Gaza Strip, November 2009. Data collected by the Palestinian Central Bureau of Statistics (April-June 2009)* (www.apis.ps/documents/Socio-Economic%20November%202009.pdf).

[45] World Food Programme contribution.

households reduced the quantity of food consumed and the vast majority decreased the quality of that food. Household diet changes may have negative consequences on the intake of micronutrients. While the energy intake has been preserved due to the shift towards staples and energy-dense food (wheat/bread, beans, oil and sugar), mineral and vitamin deficiencies can occur and cause delayed growth in young children, reduced resistance to infections and pregnancy-related problems. Micronutrient deficiencies have led to high levels of anaemia (57 per cent) among children 6-36 months of age.[4]

69. Since the end of March 2009 UNRWA reduced its emergency food aid caseload in Gaza to about 650,000. UNRWA estimated the financial cost of meeting the emergency needs of refugees at $456.7 million between January and September 2009. By the end of that year, total confirmed pledges to the Agency's emergency appeal stood at $324 million, or 71 per cent of total needs.[18]

### Youth and education

70. The Israeli occupation continues to have a negative impact on access to education by youth in both the West Bank and the Gaza Strip. Restrictions on movement, the construction of the barrier in the West Bank and military operations in the Gaza Strip impede access by students and teachers to schools and other educational activities. As a consequence, the quality of education is reportedly declining.

71. In the Gaza Strip, due to underfunding and high population growth rates, 89 per cent of UNRWA schools operate on a double shift basis. Recent years have witnessed a collapse in education standards at Agency schools in the Gaza Strip, as the effects of underfunding have been compounded by the ongoing blockade and other restrictions and periodic violence.[18]

## III. Occupied Syrian Golan

72. The Syrian Golan, which encompasses an area of about 1,250 square km, has been under Israeli occupation since 1967. The decision of the Government of Israel to impose its laws, jurisdiction and administration in the occupied Syrian Golan was deemed null and void and without international legal effect by Security Council resolution 497 (1981). This annexation continues to affect on a daily basis the lives and human rights of the Syrian citizens living in the occupied Syrian Golan.[46]

73. The Syrian Arab population, estimated to be 21,100, lives in five main towns, while 19,000 Israeli inhabitants live in 33 settlements.[47] Since 1967, the Government of Israel has continued its settlement expansion, despite renewed United Nations resolutions calling upon Israel to desist from doing so.

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[46] International Labour Office, The situation of workers of the occupied Arab territories, report of the Director-General, International Labour Conference, ninety-seventh session, Geneva, 2008, appendix, para. 94.

[47] International Committee of the Red Cross (www.icrc.org/web/eng/siteeng0.nsf/htmlall/israel-golan-update-291009?opendocument).

74. In past years, investments in tourist infrastructure in the occupied Syrian Golan reportedly increased. In 2009, the Ministry of Housing embarked on a plan to increase the population of Katzrin settlement from 6,500 to 20,000 over the ensuing 20 years. The Israel Land Administration issued 14 tenders for the construction of apartment buildings in the settlements.[48] On 10 February 2010, the Israeli Knesset passed preliminary reading of a bill that would grant tax benefits to Israeli residents of the Golan Heights.[49]

75. ILO reports that no significant changes have been recorded between 2008 and 2009 regarding employment conditions and opportunities for Syrian citizens in the occupied Syrian Golan. Syrian citizens of the occupied Syrian Golan suffer from a lack of employment opportunities in their communities, and there are no prospects for economic development in that region. Employment in the Israeli construction sector remains the only option for many. However, dependence on subcontractors for access to the Israeli labour market makes Syrian labourers vulnerable to exploitative practices and violations of their labour rights. Syrian women are particularly affected by the lack of employment opportunities in the occupied Syrian Golan, especially since their occupational and regional mobility is restricted.[50]

76. Israeli policies and measures, including discriminatory water quotas and tariff schemes, favour Israeli settlers and restrict the access of Syrian citizens to land and water, which severely constrains the agricultural activities of Syrian citizens, who have traditionally relied on such activities for their livelihood.[50]

77. By October 2009, the International Committee of the Red Cross reported 18 registered Syrian detainees in Israeli prisons.[51] The Government of Syria maintains that at least one detainee suffers from a life-threatening health condition which is being disregarded by the Israeli authorities.[52]

## IV. Conclusion

78. In his message to the United Nations International Meeting in Support of Israeli-Palestinian Peace on 12 February 2010, the United Nations Secretary-General welcomed the reform efforts of the Palestinian Authority, which seek to establish the economic, social and institutional basis of Palestinian statehood. He said that it was vital that the Palestinian Authority continue to advance this state-building agenda while striving to meet its other road map obligations in full. He also expressed profound concern regarding the protracted suffering of civilians in the Gaza Strip, maintaining that "the continued blockade is unacceptable and counterproductive, destroying legitimate commerce and denying aid organizations and the United Nations itself the means to begin civilian reconstruction". He condemned the continued rocket fire from Gaza, which indiscriminately targets Israeli civilians. In closing, the Secretary-General concluded that the clear

[48] A/64/516, para. 48.

[49] Haaretz (www.haaretz.com/hasen/spages/1148860.html).

[50] International Labour Office, The situation of workers of the occupied Arab territories, report of the Director-General, International Labour Conference, 97th session, Geneva, 2008, appendix, paras. 95-98.

[51] International Committee of the Red Cross, www.icrc.org/web/eng/siteeng0.nsf/htmlall/israel-golan-update-291009?opendocument.

[52] See A/64/343, chap. II, entry of Cuba.

parameters to end the occupation that began in 1967 and create the State of Palestine living side-by-side with Israel in peace and security are contained in Security Council resolutions, the road map and the Arab Peace Initiative, emphasizing that political will is required by the leadership of both sides, along with creative support by third parties.[53]

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[53] Statement of United Nations Secretary-General, Ban Ki-moon for the United Nations International Meeting in Support of Israeli-Palestinian Peace, Qawra, Malta, 12 February 2010.